

Section 172 (1) Statement

Section 172 (1) (a) to (f) of the Companies Act 2006 requires the directors of Mawdsleys Group Investments Limited ("Mawdsleys"), which includes the subsidiaries Mawdsley-Brooks & Company Ltd, Positive Solutions Limited and Lowry Pharma Limited, to act in a way which they consider promotes the long-term benefit of its members as a whole. In doing so, the directors take due consideration, amongst other matters, to the:

a) Likely consequences of any decisions in the long term

The directors ensure that choices that are made, align with the group's vision to 'Deliver excellent healthcare services through the passion and innovation of our people'. Every key decision for the group is reviewed against this strategic vision and long-standing corporate values.

b) Interests of the group's employees

The health and wellbeing of all staff remains a fundamental pillar of the company and additional resource has been provided to ensure ongoing compliance and adherence to our relevant health and safety policies.

The CEO Road Shows have become an established six-monthly opportunity to provide staff with strategic updates and present nominated colleagues with awards in recognition of exceptional demonstration of group core values. Individuals are proposed by their peers and often surprised to discover their usually quiet contribution is recognised by their colleagues. Winners are highlighted in the group newsletter, which is published quarterly. The Road Shows always include question and answer sessions and employees are encouraged to raise issues, which can then be fed into future improvements and plans.

Employee forums are being established at each site, building on the previous focus groups, allowing an ongoing free flow of information and ideas, enabling local issues to be raised and resolved, leading to an improved local working environment and engagement with staff.

June is staff survey time and this has now become an annual event. Overall, the results have seen an improvement over the prior year, despite some variation between sites, with the specific matters raised being reviewed by local management in conjunction with the employee forums.

The Employee Assistance Programme continues to support a number of staff and the group continues to explore a number of additional benefits. Implementation of the new group ERP system is leading to additional training for multiple cohorts of staff and the Rising Stars programme will be expanded in the next six months to enable a further group to benefit from mentors and wider development. Quality training for GMP and GDP for all staff has been enhanced, further supporting our commitment to be inspection ready at all times.

Where possible, the group endeavours to train and recruit internally, enabling personal development opportunities for staff within the business. An example of this is the highly successful 'Warehouse to Wheels' scheme, where warehouse colleagues are supported to obtain an HGV driver licence.

c) Need to foster the company's business relationships with suppliers, customers and others

Customer service remains a key pillar for both Mawdsley-Brooks & Company Limited and Positive Solutions Limited, the group's main trading entities. The group's reputation within NHS Hospital Trusts continues to be held in high regard, with regular written compliments received on exceptional performance.

Face-to-face meetings with manufacturing suppliers have returned to near pre-Covid levels, enabling the group's procurement teams to work more collaboratively in responding to supply chain issues and medicine shortages to identify solutions using the group's unequalled market intelligence network.

As a pharmaceutical wholesaler, Mawdsley-Brooks & Company Limited regards regulatory compliance with the utmost importance, and we seek to foster open and productive relationships with all relevant regulatory bodies.

d) Impact of the company's operations on the community and the environment

Environmental, Social and Governance issues continue to be central to the ethos of the group. To support this, a team of directors and senior managers has been formed to co-ordinate the numerous ESG initiatives in flight and provide strategic direction towards building on a substantive platform.

External advisers have supported the group to complete a full GHG (greenhouse gas) Assessment and SECR (streamlined energy and carbon reporting) Statement. A Carbon Reduction Plan is now in place with a target of achieving Net Zero by 2050, as defined by the SBTi (Science Based Target Initiative). In the interim, 100% of residual Scope 1, 2 and 3 emissions from business operations have been removed through a combination of verified Gold Standard carbon offset projects.

The group has installed over 3,500 solar panels at its Redhouse facility, and in conjunction with a comprehensive battery array, expects to see up to 70% of energy required at that site to be self generated. Energy requirements at other sites are sourced from 100% renewable providers.

A five year funding commitment to support IntoUniversity Salford continues, helping this national charity to provide local dedicated educational support to break down barriers to success, located where young people need it, close to home. IntoUniversity has now opened its new site in Salford and as a launch sponsor, Mawdsleys is able to engage colleagues with staff at the facility, aligning to the group's historic values supporting local communities and ongoing education.

Many of the group's sites raise funds locally events in support of various charities. For example, the Positive Solutions team recently helped the Glove Project in Gambia, by providing medical supplies and other essentials.

e) Desirability of the company maintaining a reputation for high standards of business conduct

Training is regularly provided to directors and senior managers on matters of corporate governance and includes areas such as Responsibilities of Directors, Diversity, Inclusion and Equality, GDPR, Bribery Act and Health and Safety requirements.



f) Need to act fairly as between all members of the company

Over the past year, there has been regular dialogue with all shareholders, communicating an overview of future initiatives and providing a platform for views to be considered.

By order of the board

A handwritten signature in black ink that reads 'W J Sanders'.

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W J Sanders
Director

Date: 9th May 2024.....